



Staff Report

Finance – Budgets & Accounting

Report To: COW-Finance, Admin, Fire, Legal, Community Services
Meeting Date: November 27, 2023
Report Number: FAF.23.145
Title: Financial Update – September and October 2023
Prepared by: Sam Dinsmore, Acting Director of Finance / Treasurer

A. Recommendations

THAT Council receive Staff Report FAF.23.145, entitled “Financial Update – September and October 2023” for information purposes.

B. Overview

This report outlines the Town’s unaudited financial activities as of October 31, 2023.

C. Background

Staff are bringing this report forward to give Council and the Public a snapshot of the Town’s financial activity up to October 31, 2023.

D. Analysis

As per Council direction the financial update reports are an exception-based reporting, focusing on expenses and revenues that are forecasting +/-10% of budget. In addition to the exception-based reporting staff have kept some of the charts with some of the more major financial indicators, this includes Development Charges, Blue Mountain Attainable Housing Corporation (BMAHC) loan, and contracts awarded through purchasing.

Staff have included forecasting graphs for the revenues and expenses that are expected to end the year +/-10% of budget. These graphs give an estimate of where that revenue stream or expense will end the year.

Tax Supported Services

Staff are monitoring expense lines, such as Garbage and Recycling/Organics collections, external Legal costs, and vehicle costs. To date, the following expenses are trending under or over budget:

- Vehicle Expenses – these are forecasting to end the year over-budget and costs are being driven by maintenance to the large vehicle fleet that have replacements having been ordered but not yet delivered.
- Salaries and Benefits – these are forecasting to end the year slightly under-budget. This is due to staff vacancies.

Staff have included trend analysis charts in the attachment to this report for the following revenue streams:

- Planning – this revenue stream is forecasting to end the year under-budget (below revenue targets).
- Development Engineering – this revenue stream is forecasting to end the year under-budget (below revenue targets).
- Penalty and Interest on Arrears – this revenue stream is forecasting to end the year over-budget (above revenue targets).
- Investment Income – this revenue stream is forecasting to end the year well over-budget (above revenue targets); however, staff expect this revenue to slow down as the Town awards some major capital projects in 2023.
- Licensing (STA) – this revenue stream is forecasting to end the year well over-budget (above revenue targets).
- Beaver Valley Community Centre Fees – this revenue stream is forecasting to end the year over-budget (above revenue targets). This is a promising trend as the BVCC is starting to see busier levels of usage that hasn't been seen since before the pandemic.
- Tomahawk – this revenue stream is trending in the positive and is forecasting to end the year over-budget (above revenue targets).
- Landfill – this revenue stream is forecasting to end the year under-budget (below revenue targets).

Water and Wastewater Operations

Water and Wastewater is operating within the expenses budget. The revenue streams are trending slightly under-budget (below revenue targets). This can be attributed to reduced levels of irrigation in the summer months due to wetter July and August.

User Fee Supported Operations (Building and Harbour)

The Harbour is operating within expenses budget. The Harbour’s revenues are trending to end the year slightly over-budget (above revenue targets). Building is forecasting to end the year under-budget in their revenue stream.

Development Engineering

At the direction of Council staff have included a summary of current YTD financial activities for the Development Engineering division and the reserve/deferred revenue balances.

	Oct 31 Year-to-Date	Year End-Forecast	Year-End % of Budget
Expenses	\$595,265	\$714,318	83%
Revenues	\$627,199	\$762,840	88%
Net Cost	(\$31,934)	(\$48,522)	-

Currently Development Engineering is forecasting to end the year slightly under-budget for both expenses and revenues with a projection of a surplus of around \$50,000. Staff will continue to update these numbers with each bi-monthly financial report.

- Development Engineering Reserve - \$220,512 (October 31, 2023, balance)
- Development Engineering Deferred Revenue - \$414 (June 30, 2023, balance, only updated at year-end)

Beaver Valley Community Centre Hall Rentals

The below chart looks at the revenues and subsidies for the Hall rentals at the BVCC up to the end of October.

Revenue Stream	Amount
Pickleball Hall Rentals	\$54,587
Less: Subsidy	\$14,209
Total Revenue from Pickleball	\$40,378
Other Hall Rentals	\$25,000
Less: Subsidy	\$2,232
Total Revenue from Other Hall Rentals	\$22,768
Total Hall Rental	\$63,146

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders.

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

None.

G. Financial Impacts

Included in the charts attached to this report.

H. In Consultation With

Serena Wilgress, Manager of Purchasing and Risk Management
Amy Moore, Manager of Revenue
Heather McFarlane, Budget Analyst

I. Public Engagement

The topic of this Staff Report has not been subject to a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. Comments regarding this report should be submitted to Sam Dinsmore, Acting Director of Finance / Treasurer at directorfit@thebluemountains.ca.

J. Attached

1. Financial Update Charts and Graphs

Respectfully submitted,

Sam Dinsmore
Acting Director of Finance / Treasurer

For more information, please contact:
Sam Dinsmore, Acting Director of Finance / Treasurer
directorfit@thebluemountains.ca
519-599-3131 extension 274

2023 Development Charges Collected

Month	2023 Monthly Actuals	2022 Monthly Actuals
January	\$ 698,748	\$ 550,215
February	\$ 47,682	\$ 122,883
March	\$ 286,546	\$ 595,361
April	\$ 1,048,450	\$ 16,580
May	\$ 4,743,367	\$ 91,190
June	\$ 254,392	\$ 148,221
July	\$ 287,183	\$ 422,573
August	\$ 50,244	\$ 854,005
September	\$ 331,344	\$ 233,592
October	\$ 66,992	\$ 160,416
November	\$	\$ 315,491
December	\$	\$ (158,948)
Total	\$ 7,814,948	\$ 3,351,579

Reserve Fund	Reserve Fund Balance	YE Forecasted Balance
General Government	\$ 63,659	\$ (98,847)
Fire	\$ 1,029,537	\$ 793,431
Police	\$ 13,974	\$ 34,255
Parking & By-Law	\$ (135,155)	\$ (124,531)
Public Works	\$ 1,516,223	\$ 320,284
Roads and Related	\$ 9,367,853	\$ 7,734,044
Solid Waste	\$ 238,556	\$ 301,581
Parks and Recreation	\$ 3,941,947	\$ 3,434,746
Library	\$ 2,654,311	\$ 3,048,723
Water	\$ 9,396,694	\$ (104,114)
Wastewater	\$ 4,206,000	\$ (15,011,365)
Total	\$ 34,013,274	\$ 328,207

Estimated from the DC Background Study	\$ 9,123,000
2023 Year to Date Actual	\$ 7,814,948
2022 Year to Date Actual	\$ 2,801,028
Percent of Estimate	86%

- The Town collected a significant amount of Hard Development Charges (roads, water, and wastewater) through the execution of subdivision agreements, in May.

Blue Mountains Attainable Housing Corporation Loan

This chart looks at the loan draws that the BMAHC has against the approved Operating Loan with an upset limit of \$800,000 (original upset limit of \$1,200,000 was reduced through staff report *Follow Up to The Blue Mountains Attainable Housing Corporation Deputation of May 17, 2023 FAF.23.106*). Staff have also included the accumulate interest earned on the loan to May 31, 2023. As per Council direction the loan became interest free after May 2023.

Date	Amount of Draw Request
October 20, 2020	\$ 100,000
June 8, 2021	\$ 170,000
March 23, 2022	\$ 170,000
November 14, 2022	\$ 100,000
February 6, 2023	\$ 175,000
Total Draw Requests	\$ 715,000
Interest Earned to Date	\$ 29,671
Total Operating Loan Balance	\$ 744,671

At the October 30th, 2023, Council Meeting, Council passed a motion to provide full relief of all funding related directly to the current operating loan (Staff Report FAF.23.171). This motion provided the Blue Mountains Attainable Housing Corporation relief of its responsibilities to repay the first and second amending operating loan.

THAT Council receive Staff Report FAF.23.171, entitled “Recommended Next Steps for the Town Related to The Blue Mountains Attainable Housing Corporation”;

AND THAT Council select Option 1 as outlined in this report and direct staff to complete all required processes to formally release The Blue Mountains Attainable Housing Corporation and its Board of Directors of its responsibilities to repay the current operating loan;

AND THAT if Option 1 is the preferred Option, Council acknowledges that a reconsideration of the portion of its July 10, 2023 Council resolution to reduce the limit of the BMAHC Repayable Operating Loan from \$1,200,000 to \$800,000, including the incurred interest up to May 31, 2023 with the Term ending July 4, 2024 will be required in advance of consideration of the Options included in this staff report;

AND THAT Council provide notice to the Blue Mountains Attainable Housing Corporation Board of Directors of Council’s intention to commit to the continuation of The Blue Mountains Attainable

Housing Corporation with a refocus on renewing and re-establishing the following programs with potential funding sources coming from the Community Improvement Plan:

- Down Payment Assistance Program
- Secondary Suite Incentive Program;

AND THAT Council provide formal written notice of intent to continue The Blue Mountains Attainable Housing Corporation under a modified mandate and request that this notice be included on The Blue Mountains Attainable Housing Corporation's 2023 Annual General Meeting Agenda.

Bid Awards and Contract Extensions

Contract Extensions over \$25,000

Contract for:	Vendor/Proponent	Amount
Fire Communications Services Agreement -Fire Operating Budget	The Corporation of the City of Barrie	\$59,485

Bid Awards over \$25,000

Contract for:	Vendor/Proponent	Amount
2023-56-T-OPS – Heavy Vehicle Repairs and Maintenance – On-call mobile mechanic – for use as required – Roads and Drainage Operating Budget	Arnott Construction Ltd.	\$250/hour
2023-12-P-OPS – Solid Waste Collection -Waste Diversion and garbage Collection Operating Budget	Miller Waste Systems Inc.	\$1,826,745.31
2023-14-P-PDS – Request for Proposal for a Natural Heritage Study and Natural Asset Inventory -Corporate Administration Studies Budget	North South Environmental	\$155,000
2023-35-P-FIT – Council Chambers Upgrades – Council Chamber Audio Equipment Replacement and Continuous Improvements Capital Budget	MacLean Media Systems	\$150,068
2023-17-T-OPS – Peel St Sewage Pumping Station Upgrades – Peel Street SPS Upgrades Capital Budget	Western Mechanical	\$349,200
2023-63-N-COM - BIA Downtown Lighting – Winter -BIA Budget	Lighthouse Group	\$84,192.99
2023-68-N-FIT Harbour and Fire Hall 1 Cameras – Continuous Improvements Capital Budget	MAXtech Systems	\$41,543.50
2023-69-N-FIT Barracuda Renewal – IT Operating Budget	Softchoice Canada	\$31,350
2023-09-P-COR Corporate Insurance Program – Corporate wide Operating Budget (for 2024)	Aon Reed Stenhouse	\$398,298

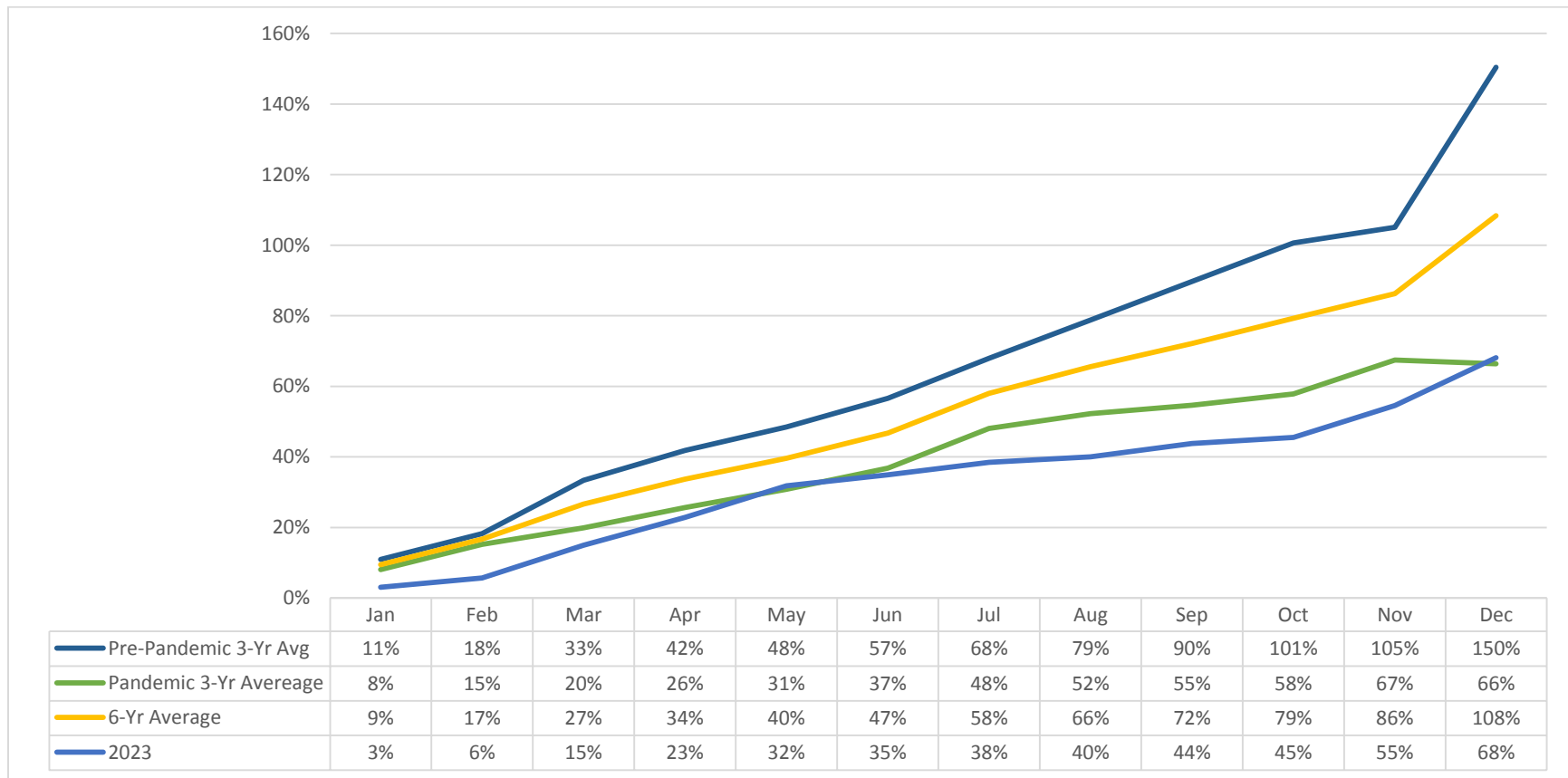
Contract for:	Vendor/Proponent	Amount
2023-59-T-FIT Davit & Safety Systems – Facilities Capital Works Capital Budget	Caldecott Millwright Services	\$88,185.51

Exception Report -Revenues

This section of the report looks at revenue streams over \$100,000 that are forecasting +/-10% of budget.

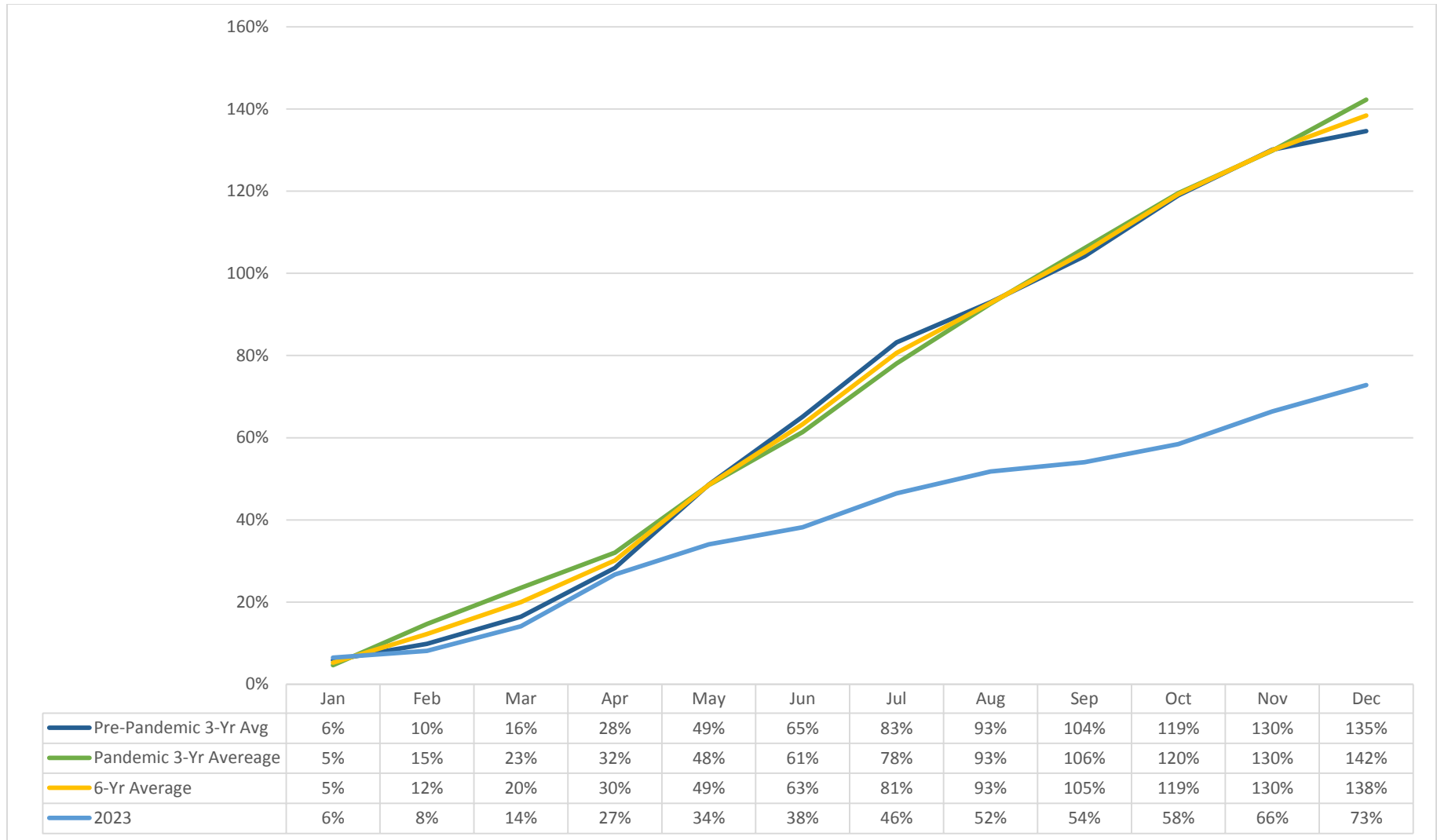
Planning - 2023 Budget of \$653,600

- Planning revenues can be hard to predict as one development can bring in significant revenues. Planning Fees are being reviewed in 2023 for input in the 2024 budget.



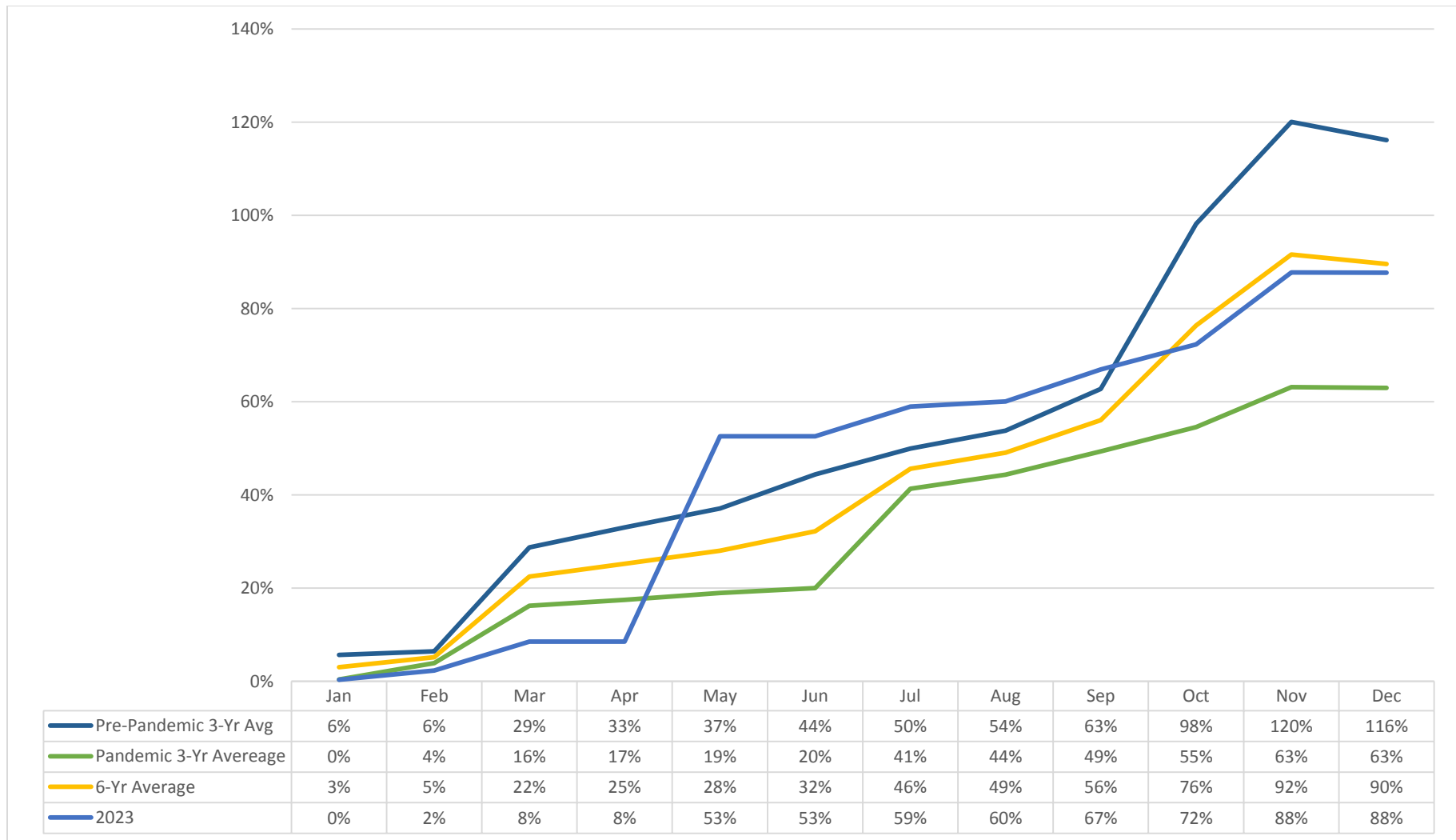
Building - 2023 Budget of \$1,392,500

- Building is starting to see a slowdown in activities. Building Fees are being reviewed in 2023 for input in the 2024 budget.

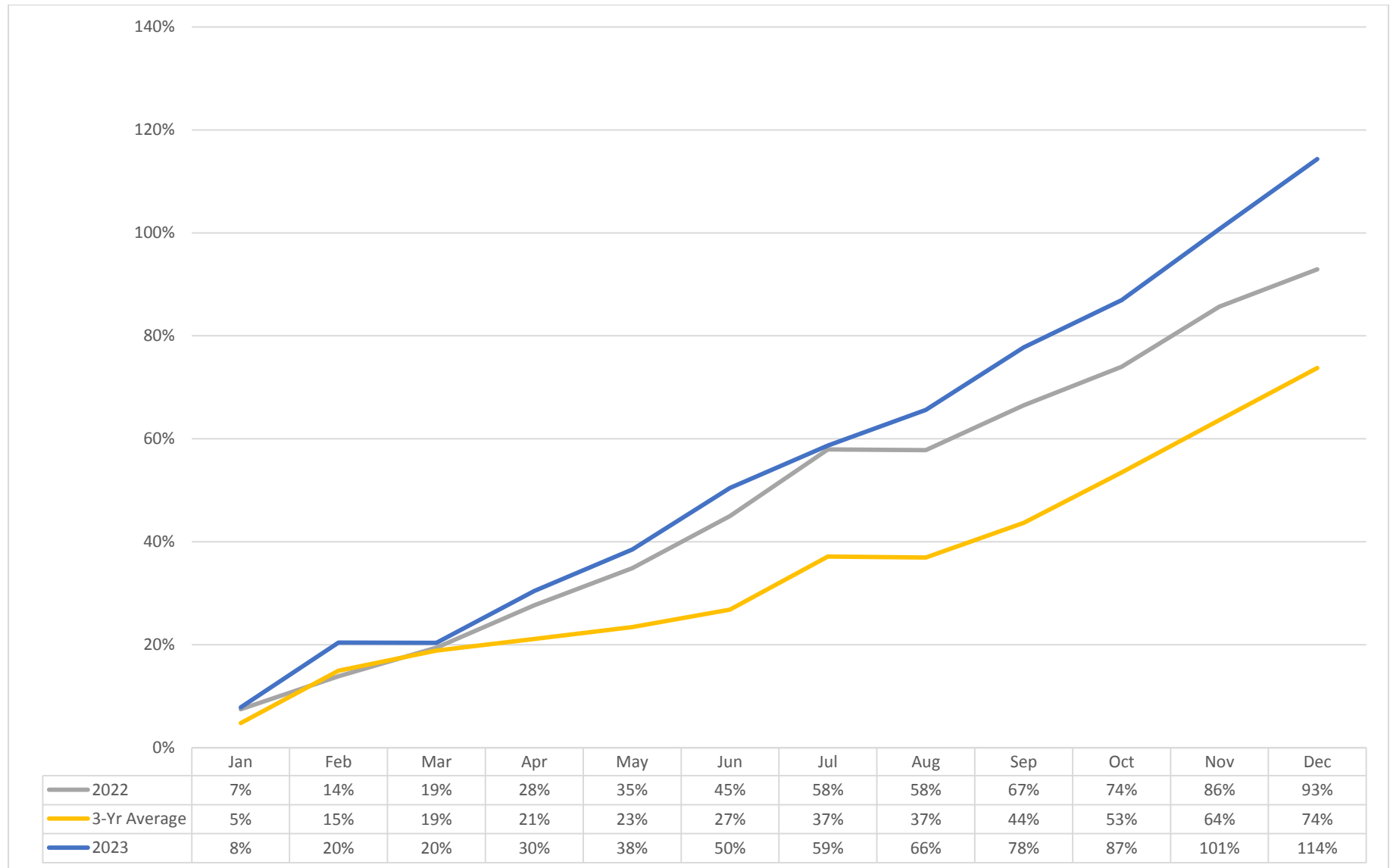


Development Engineering - 2023 Budget of \$867,200

- Development Engineering is trending to end the year slightly under-budget. Development Engineering Fees are being reviewed in 2023 for input in the 2024 budget.

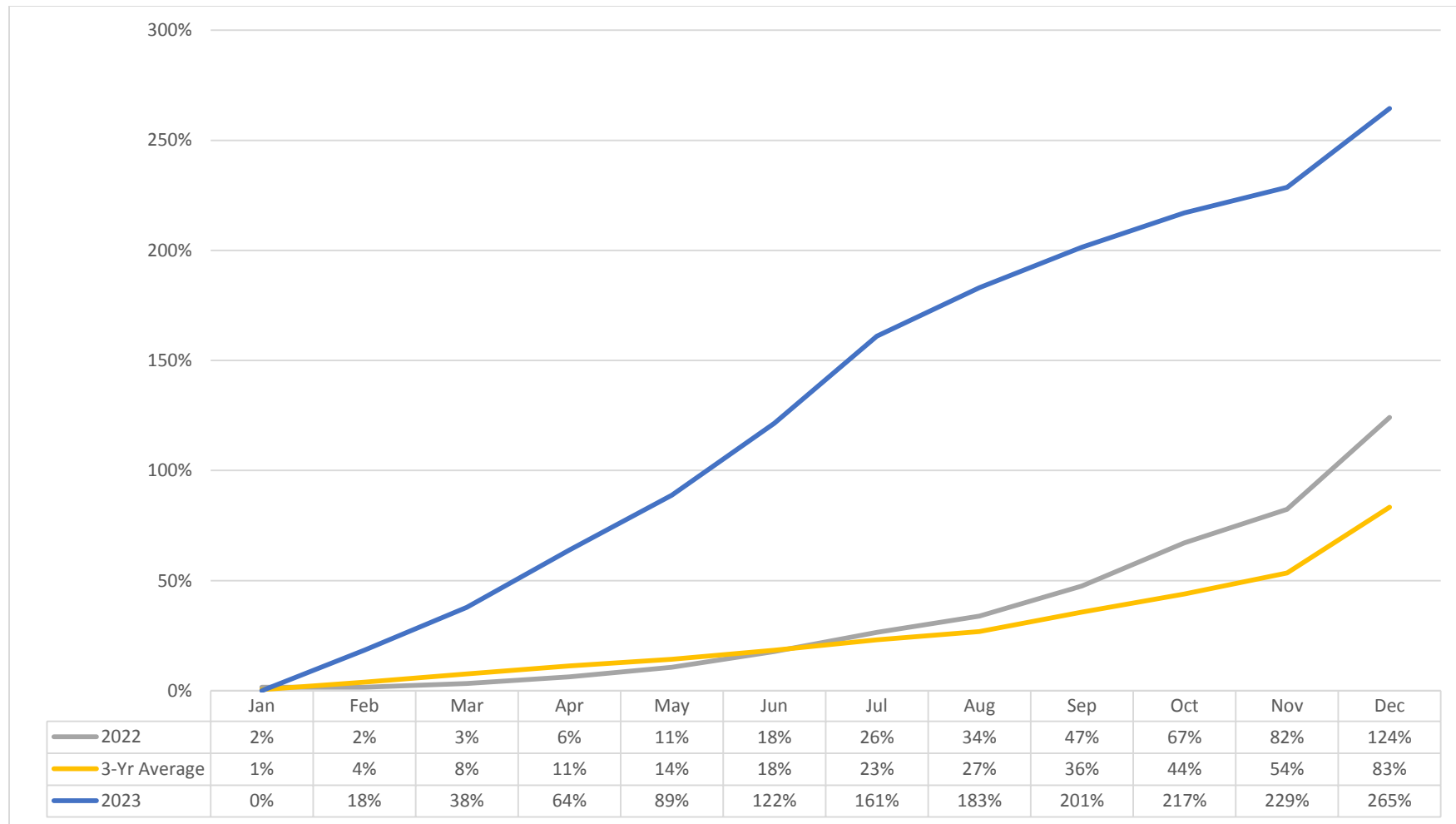


Penalty and Interest Income – 2023 Budget of \$345,000



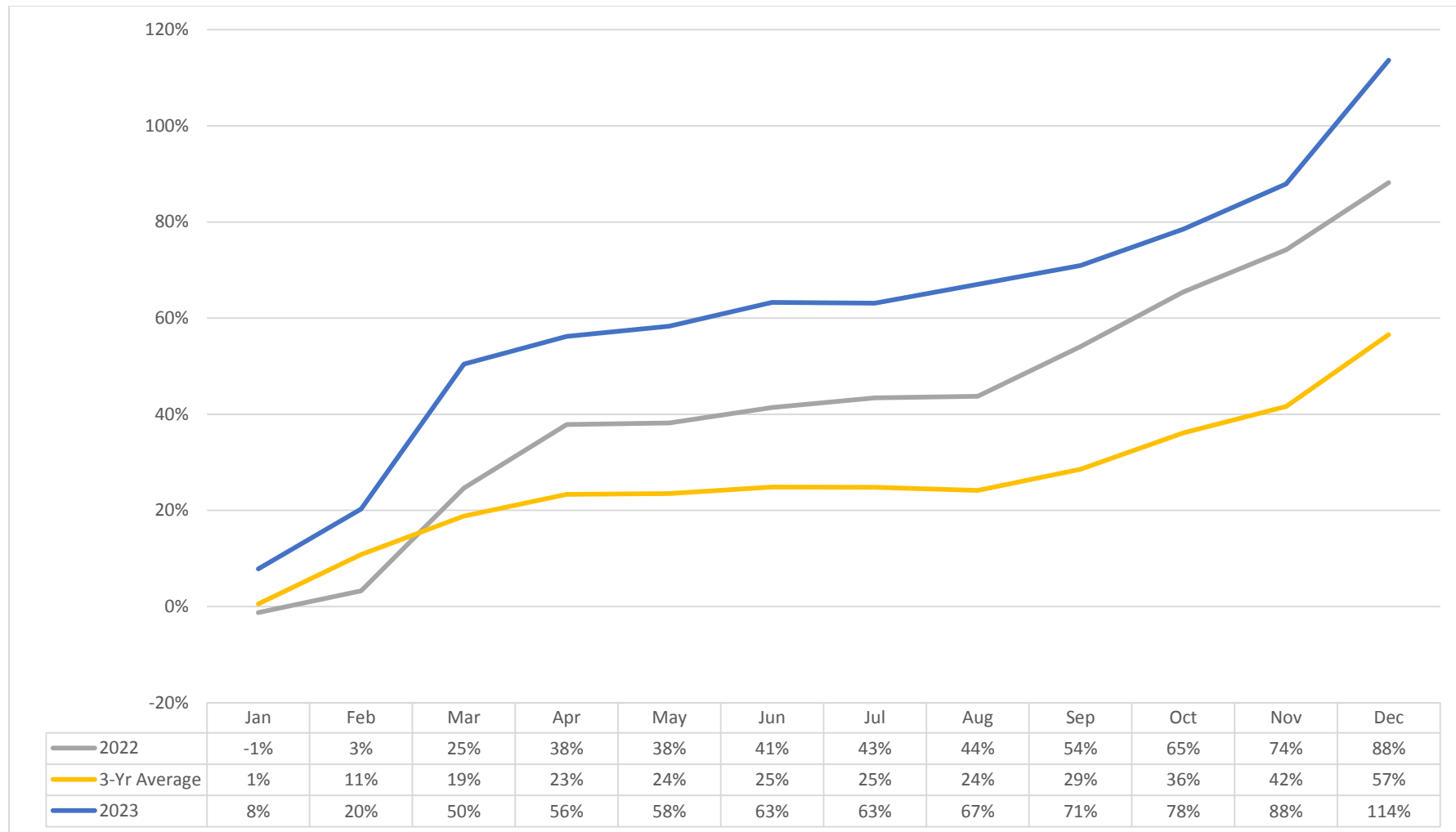
Interest Income - 2023 Budget of \$300,000

- The Town continues to see an increase in the interest rate on the general bank account. Staff are expecting this revenue stream to slow down as major capital projects have been awarded and will decrease the bank balance.



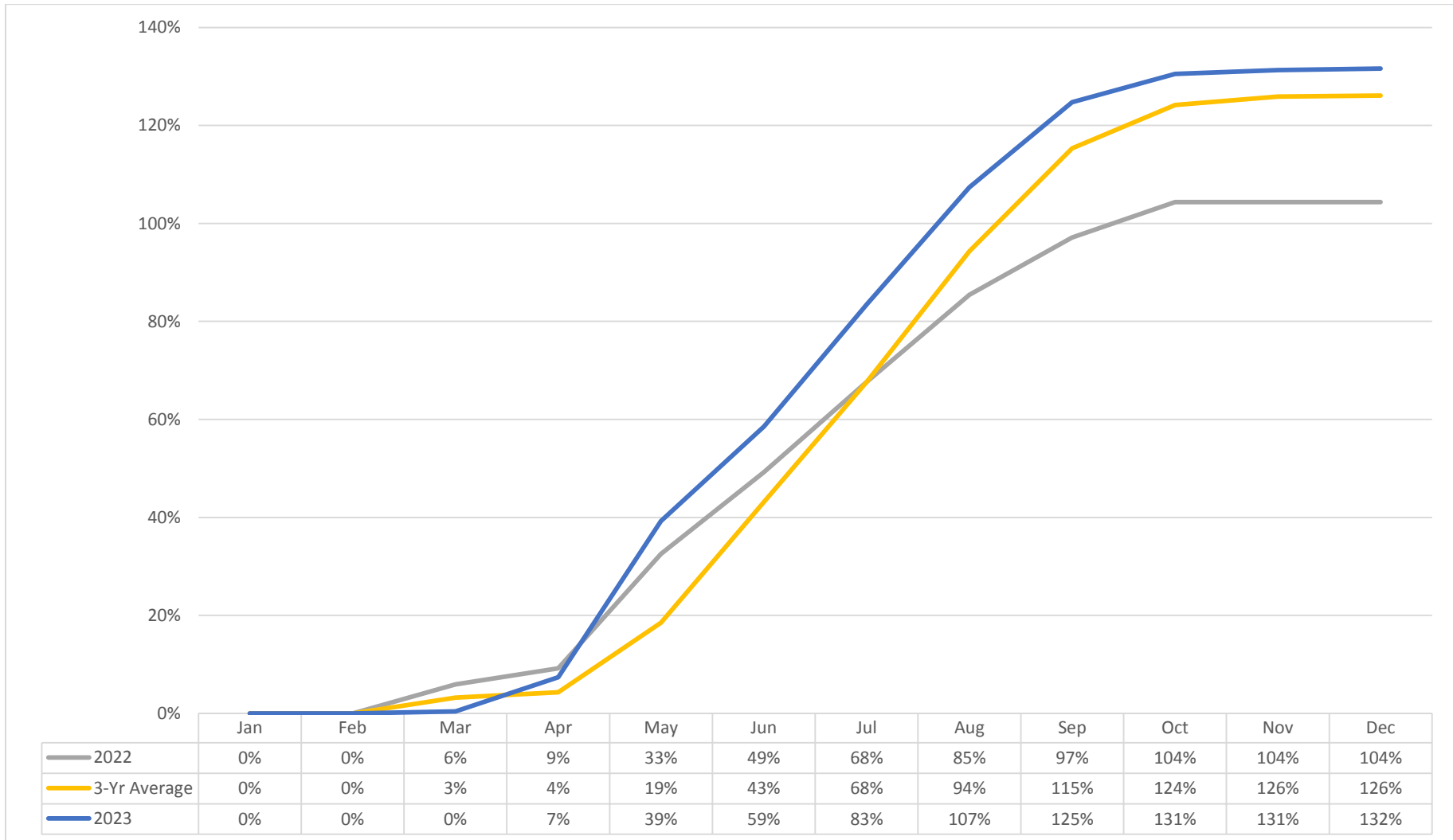
Beaver Valley Community Centre - 2023 Budget of \$196,200

- Revenues not seen since pre-pandemic are starting to come back to the BVCC, such as alcohol related hall rentals. At the end of October, the Town had collected more than 75% of the budget for this revenue stream.



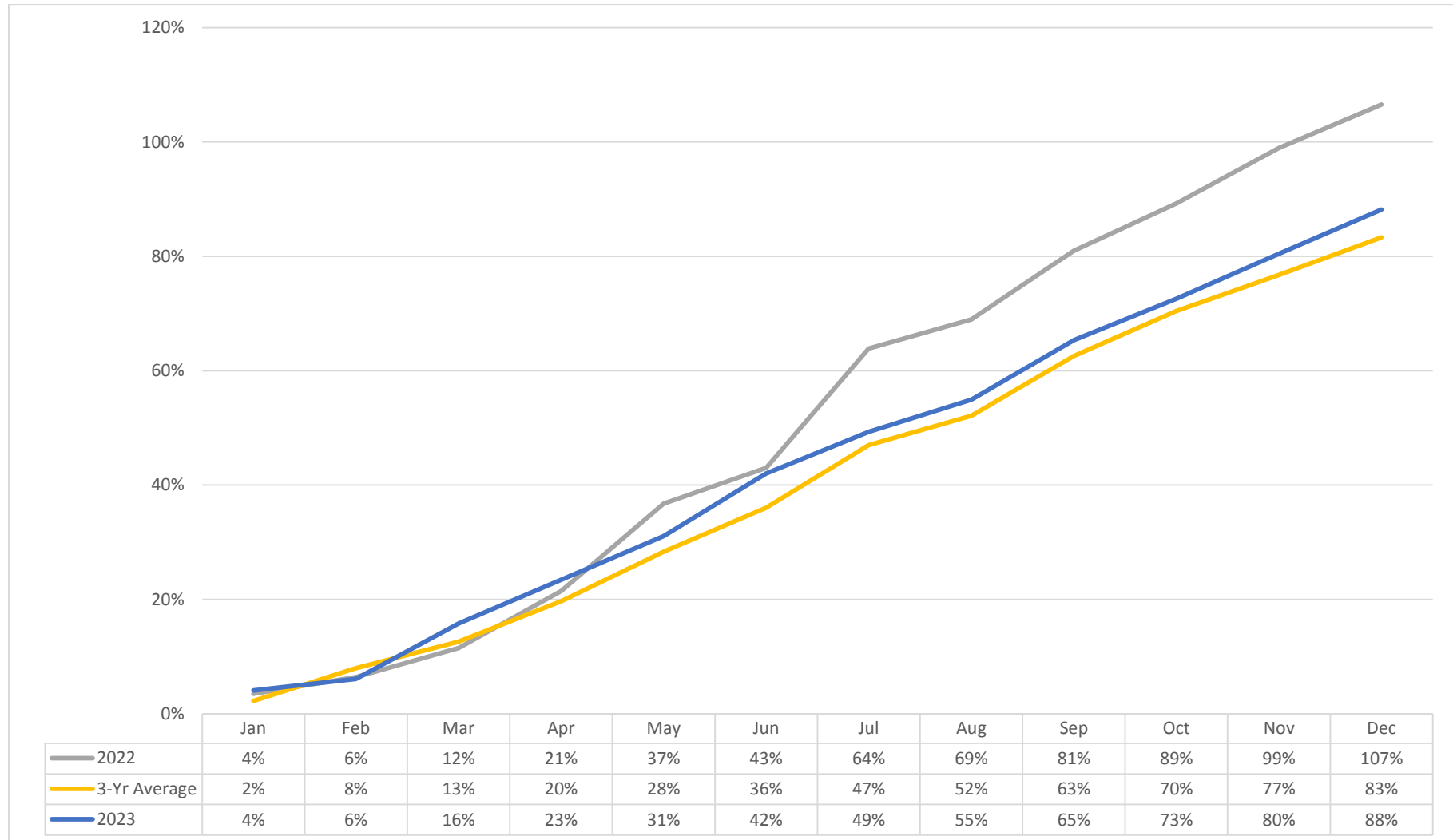
Tomahawk Revenues – 2023 Budget of \$182,900

- At the end of August Tomahawk has collected more than 100% of the budget for this revenue stream.



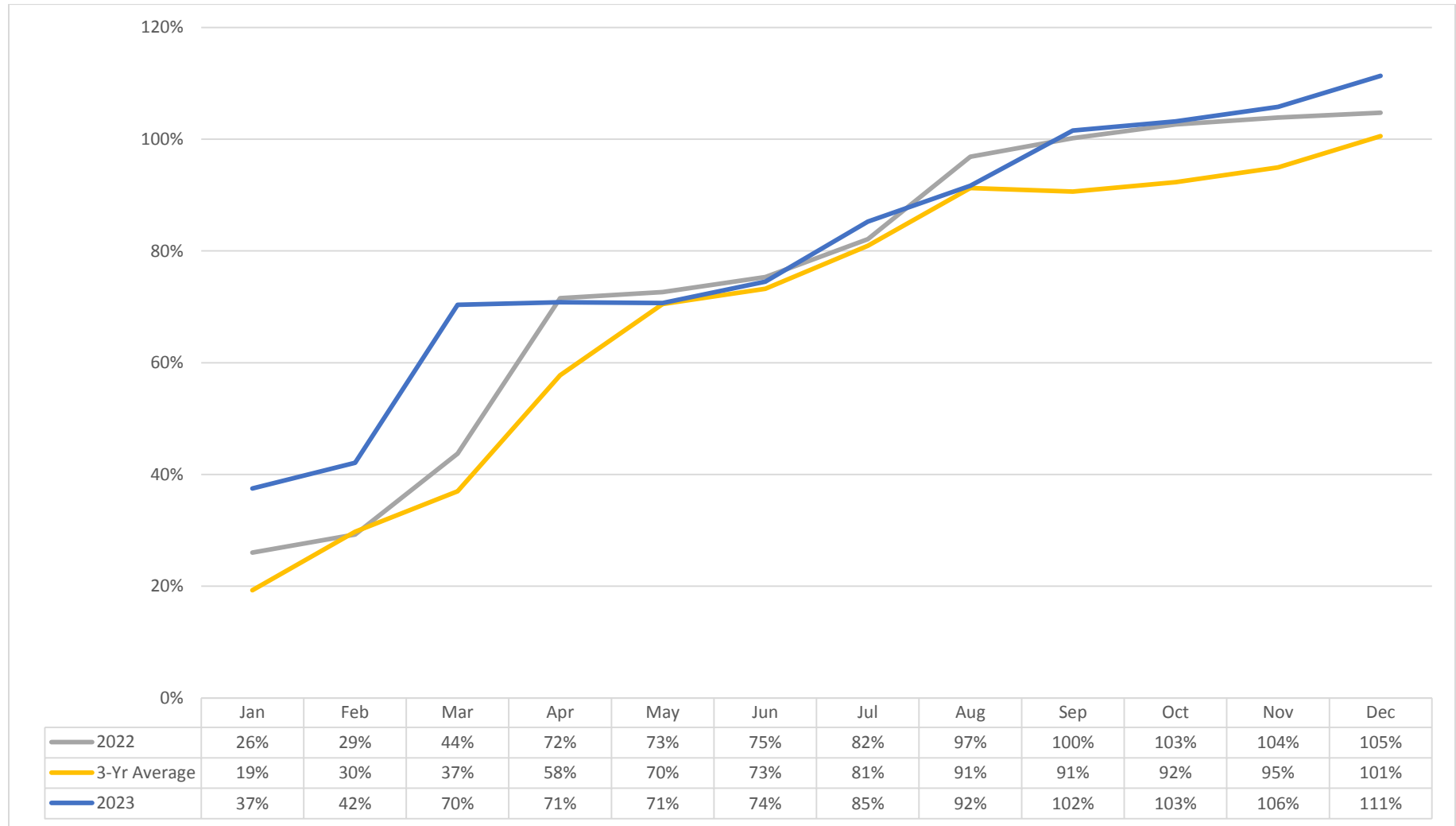
Landfill Revenues – 2023 Budget of \$470,000

- Landfill revenues are trending to end the year slightly under-budget.



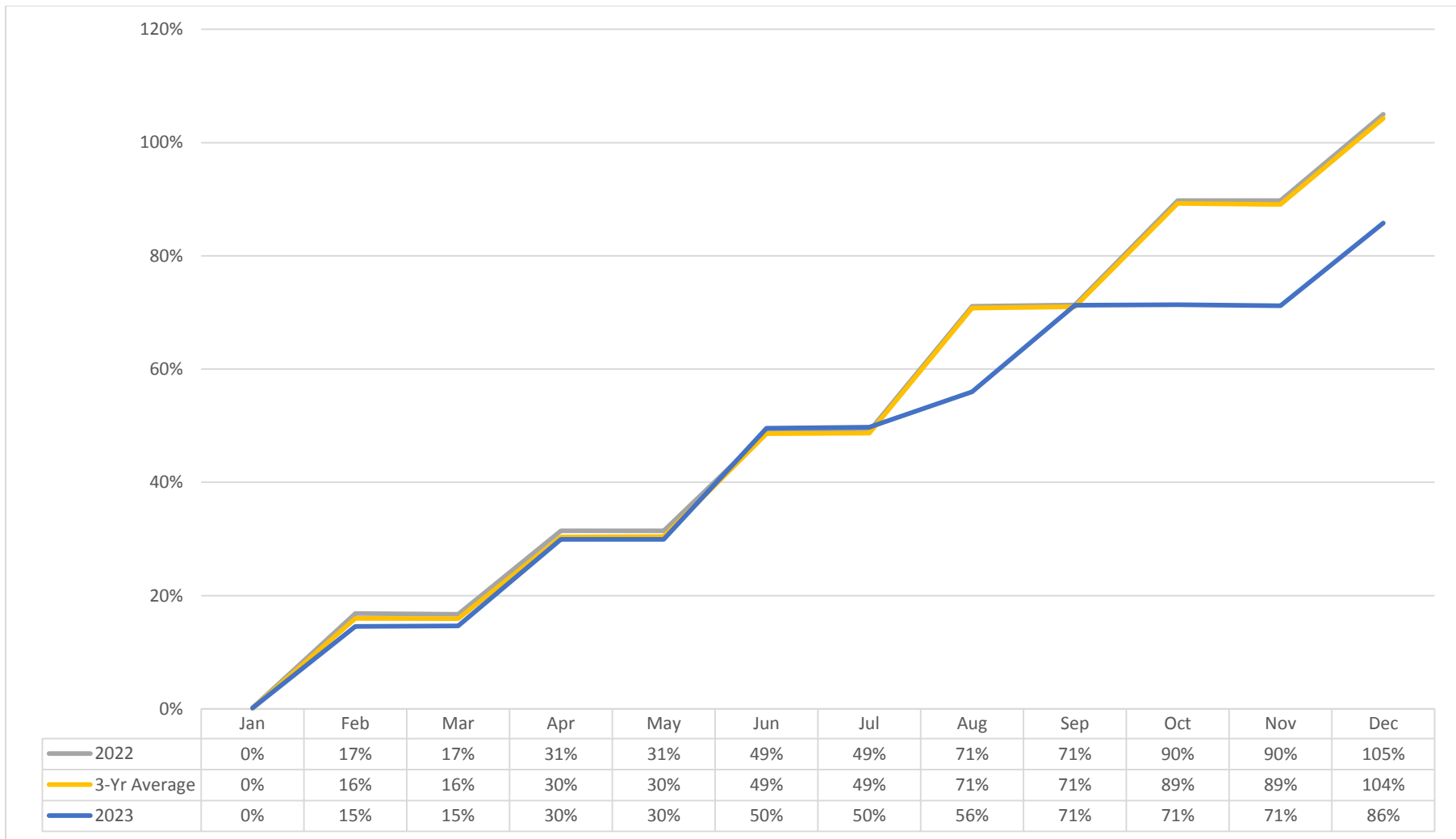
Harbour Revenues

- At the end of October, the Harbour had collected over 100% of the budget for this revenue stream.



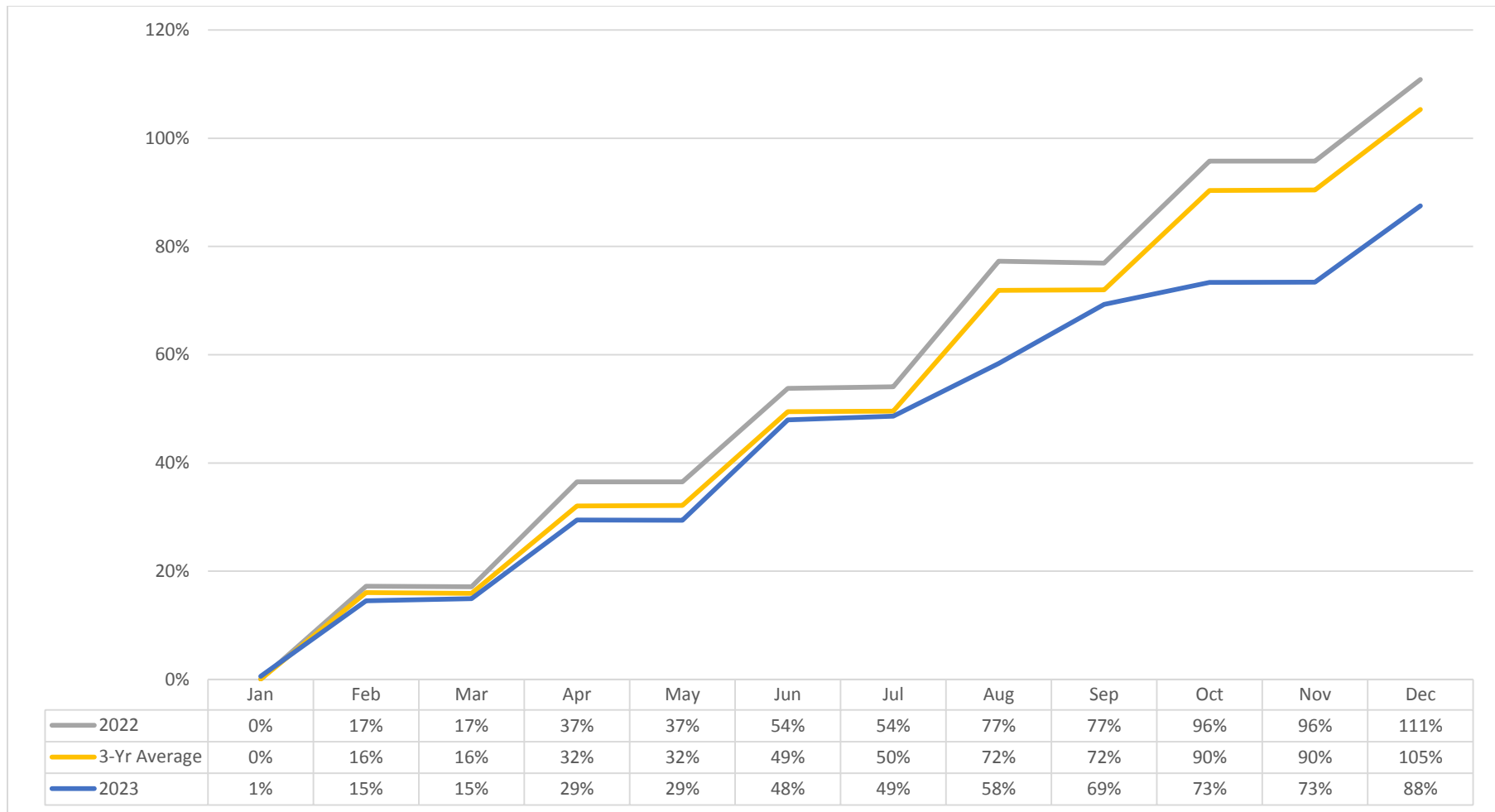
Water Revenues – 2023 Budget of \$4,765,660

- Water revenues are trending slightly under-budget. This can be attributed to reduced levels of irrigation in the summer months due to higher amounts of precipitation.



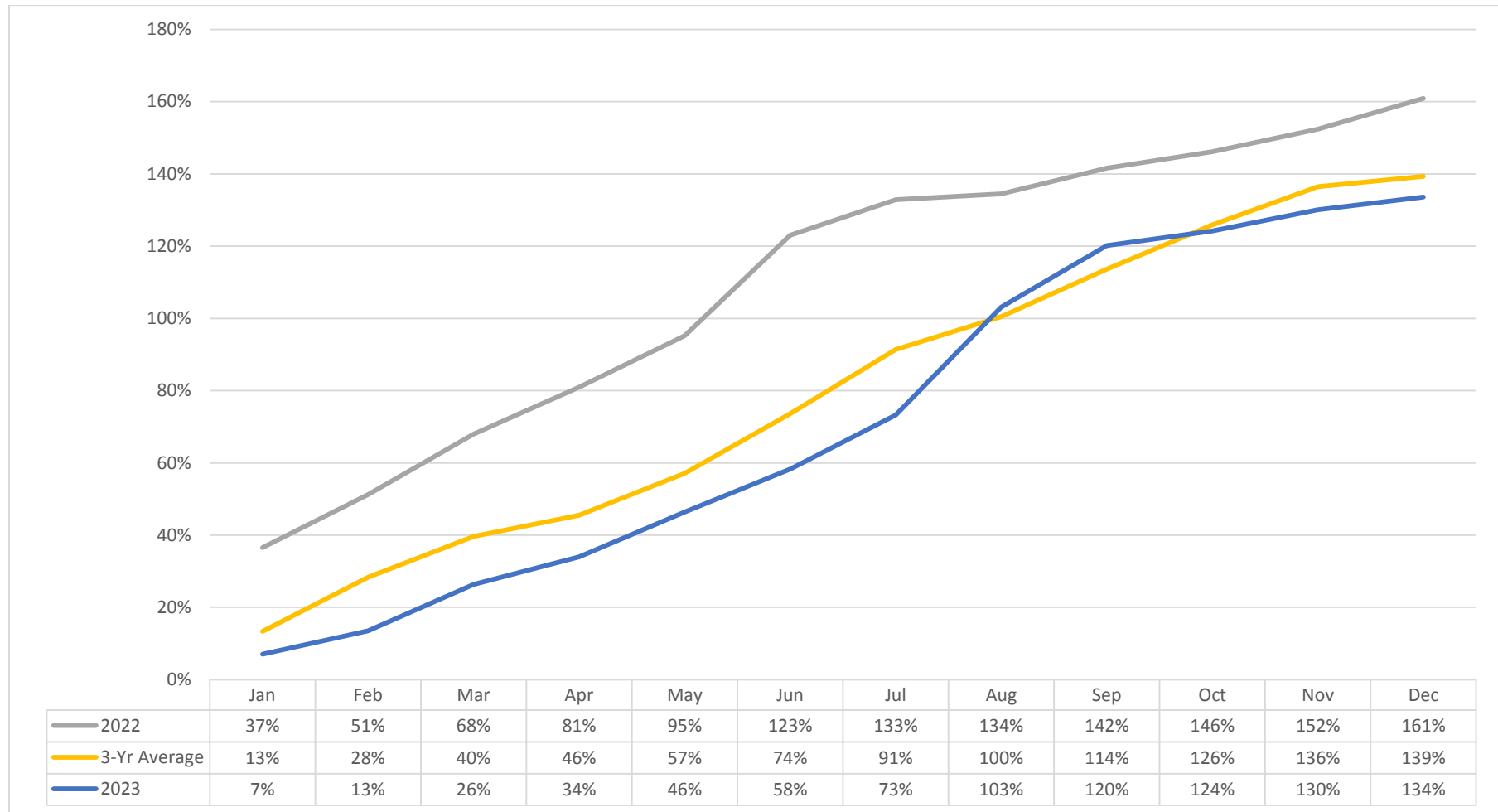
Wastewater Revenues – 2023 Budget of \$4,028,227

- Wastewater revenues are trending slightly under-budget. This can be attributed to reduced levels of irrigation in the summer months due to higher amounts of precipitation.



STA Revenues – 2023 Budget of \$300,000

- At the end of August, STA has collected more than 100% of the budget for this revenue stream.

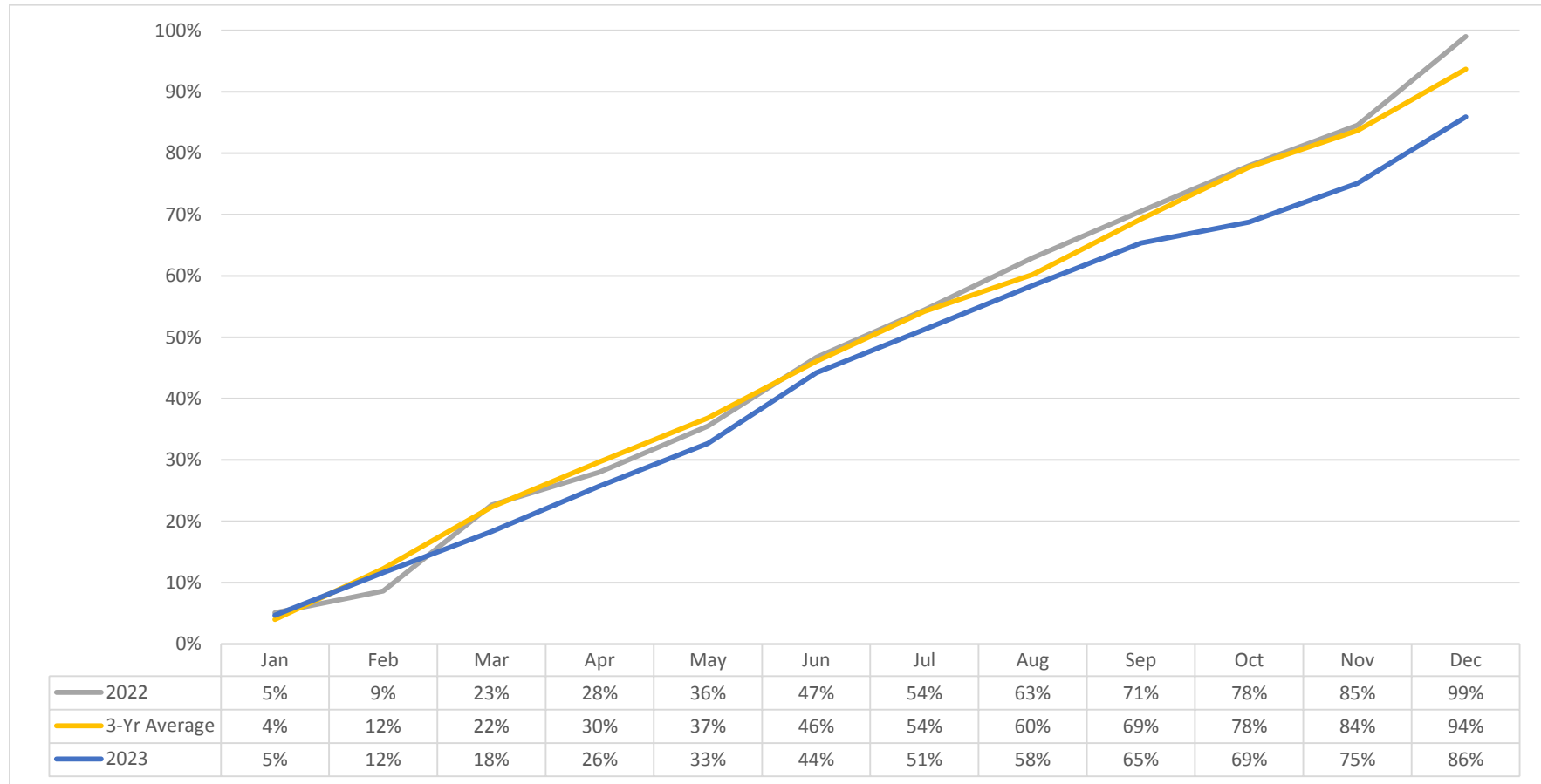


Exception Report -Expenses

These graphs look at the Expenses over \$100,000 that are forecasting +/-10% of budget.

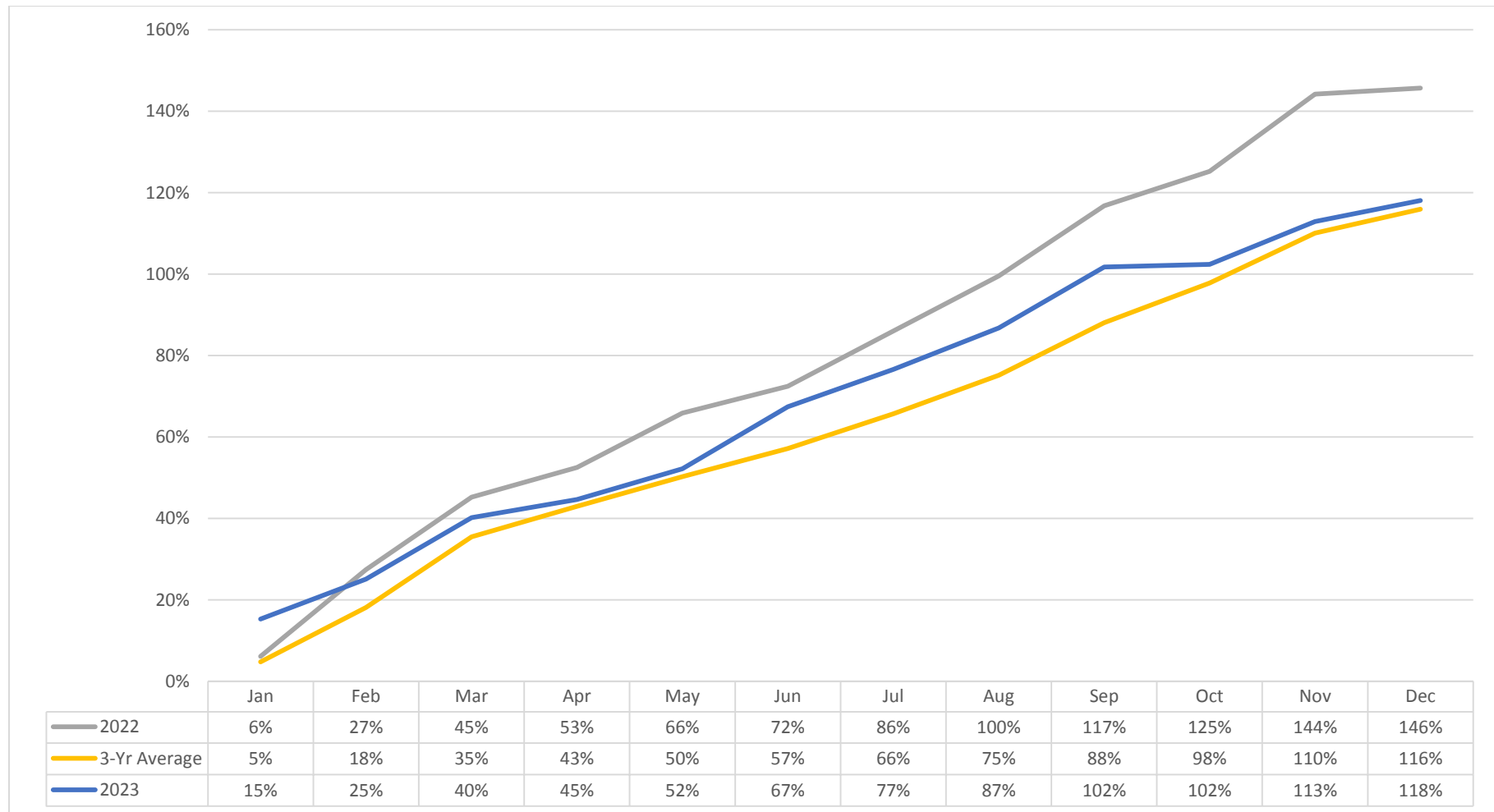
Salaries and Benefits - 2023 Budget of \$19,193,840

- Salaries and Benefits are tracking under-budget and this is due to staff vacancies



Vehicle Expenses – 2023 Budget of \$591,000

- The Town is seeing an increased cost in repairs and maintenance for the larger fleet vehicles such as fire emergency vehicles and snowplows, staff expect this to level off in future years as the older vehicles are replaced.



Report Approval Details

Document Title:	FAF.23.145 Financial Update - September and October 2023.docx
Attachments:	
Final Approval Date:	Nov 13, 2023

This report and all of its attachments were approved and signed as outlined below:

Sam Dinsmore - Nov 10, 2023 - 11:35 AM

Shawn Everitt - Nov 13, 2023 - 10:06 AM